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The Guardian

"...ce Edward Island Like The Dew"

WEATHER

Overcast with a few showers, a little warmer, southeasterly winds, 15. Low-high at Charlottetown 45 and 55.

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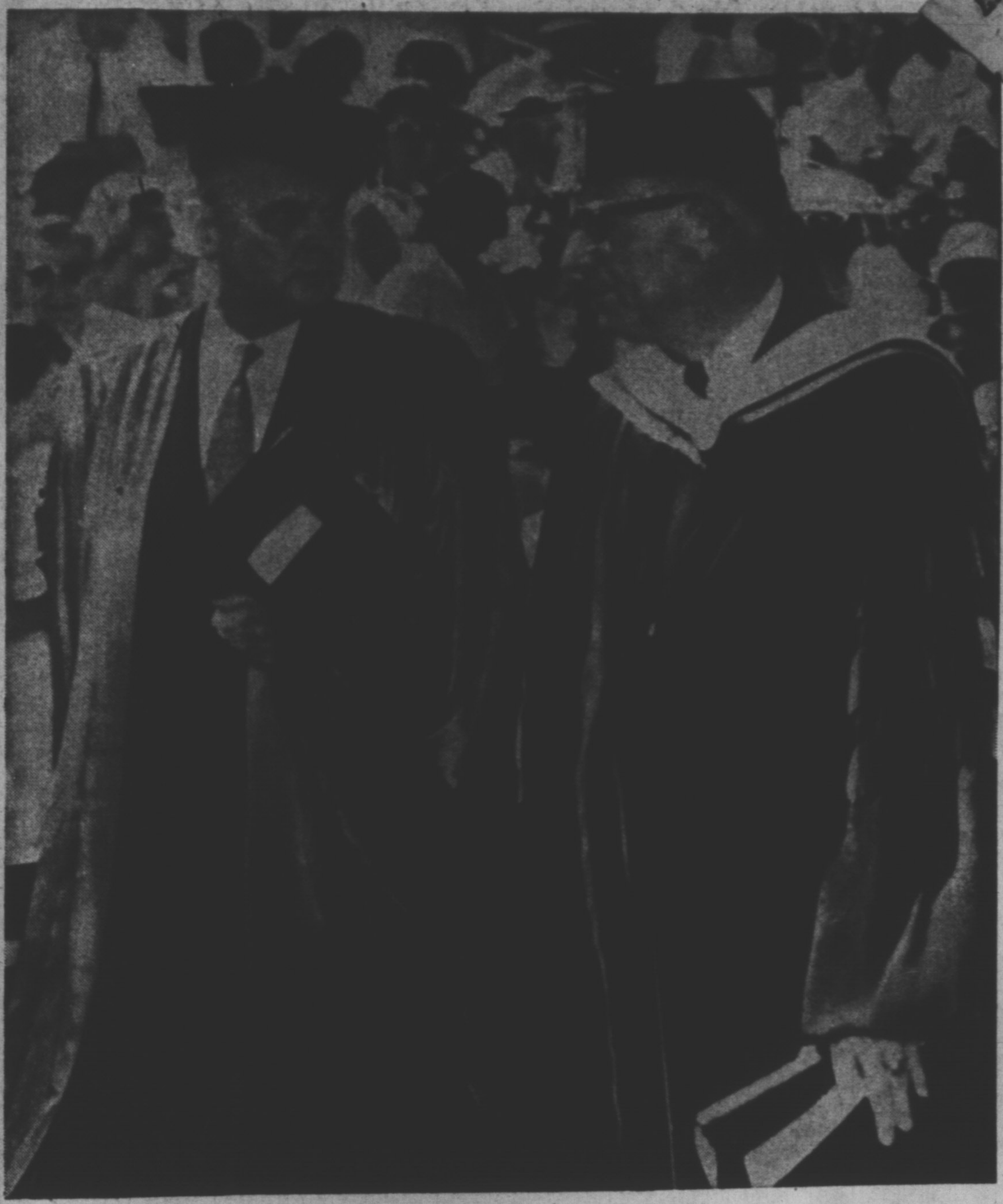

PM IN PROCESSION

Canadian Prime Minister John Diefenbaker, left and Dr. John A. Hannah, school president, marched together in the processional at Michigan State University's 99th commencement. Diefenbaker was featured speaker and was awarded an honorary doctors of laws degree. (AP Wirephoto)

Canada's Manufacturers Will Visit Charlottetown

Resources Development Seen As Maritime Formula

By FORBES RHUDE
Canadian Press Business Editor

ST. ANDREWS, N.B. (CP — Some people think that money moving east of Montreal is a handout but that money moving west of Montreal is a contribution to national development, Professor W. Y. Smith, chairman of the University of New Brunswick's department of economics and philosophy, said Tuesday.

Professor Smith—who spoke to the annual meeting of the Canadian Manufacturers Association on "new dimensions in Atlantic industry"—made his good - natured comment during a discussion period which followed his address.

Prof. Smith submitted the following points:

The way forward for the Atlantic provinces must lie in accelerated development of resource industries, accompanied by a positive program for the expansion of secondary manufacturing.

TAILORED REGIONALLY

Many national actions may benefit the rest of Canada but do not help this area. Accordingly, national development programs should often be tailored to regional needs.

Investment in the Atlantic provinces must be increased very appreciably if the income disparity with the rest of Canada is to be lessened.

Investment might be encouraged by tax concessions—perhaps tax concessions to companies on retained income used for investment purposes.

The Gordon commission recommended that the federal government contribute a substantial sum for capital projects in the Atlantic area to be spread over a relatively short period of years, with the aim of improving facilities which would make the area more attractive to private investors.

Progress has been made in this direction and, under the Atlantic Provinces Power Development Act, the federal government will advance funds at low interest rates for the construction of thermal electric generating stations and pay a subvention to reduce the cost of coal used for the generation of electricity.

Provincial governments also are offering more direct forms of encouragement to private enterprise.

The Maritimes Freight Rate Act must be overhauled in many respects so as to give Atlantic manufacturers greater protection from the "inequitable" effects of horizontal freight-rate increases.

In the next decade or so there should be excellent opportunity for expanding pulp and paper and mining and mineral-processing industries.

New Brunswick and Newfoundland together have great reserves of copper, lead, zinc, asbestos and iron ore — whose long-term outlook is optimistic.

However, more factories are needed making textiles, furniture, machine tools, electrical equipment, clothing and so on—industries which can mitigate the impact of seasonal unemployment and open up more jobs for females.

SPACE JOB

Dr. D. C. Rose, director of the National Research Council's cosmic ray branch, has been named chairman of an associate committee on space research formed jointly by the national research council NRC and the defence research board.

Convention Tour Will End In City

A drive to Charlottetown via the scenic North Shore is scheduled for Canadian Manufacturer's Association delegates who come to the City on Saturday following their business sessions at Andrews, N.B.

Charlottetown business and professional men are meeting the visitors at the ferry at Borden in the forenoon.

The visitors will be guests of the Prince Edward Island government at a noon luncheon in the Charlottetown Hotel. Premier A.W. Matheson will be the speaker.

Saturday's visit here ends a convention tour which started at Fredericton on June 6th.

Travelling from Saint John on a CNR special train, the party is scheduled to arrive at Halifax at 7.30 a.m. daylight time Thursday. Its headquarters here will be the Canadian National Nova Scotian Hotel.

Business sessions at St. Andrews, N.B. ended Tuesday night. Delegates journeyed to Saint John today for train departure tonight at 11.10 A.D.S.T.

Highlights of the Halifax visit - the CMA held its first annual convention here in 1902 - will include a reception and dinner tendered by the province Thursday night, at which Premier Robert L. Stanfield will be chief speaker. Friday evening the city will be host at a reception and buffet supper, with Mayor C.A. Vaughan as speaker.

At 11.30 p.m. daylight time Friday the CNR special will leave Halifax for arrival at Cape Tormentine, N.B., at 7.30 a.m. Saturday. Delegates will leave for P.E.I. on the ferry Abegweit at 9.25 a.m., arriving at Borden at 10.20 and motoring to Charlottetown.

The party will return to the mainland Saturday afternoon via the Abegweit, leaving Borden at 5.45 p.m. for Cape Tormentine and the CNR special, scheduled to depart at 7.35 p.m. for Moncton and Montreal.

The train is scheduled to remain at Moncton 20 minutes after arriving at 10.05 p.m. Saturday. It is due in Montreal at 2 p.m. E.D.S.T. Sunday, with 3 sleeping cars to continue to Toronto for arrival at 8.50 p.m. Eastern daylight time Sunday.

Premiums Used For Collections

WINNIPEG (CP)—A new plan for premium collections under the Manitoba hospital insurance plan was announced Tuesday in the speech from the throne read at the opening of the legislature.

The 4½ - page speech was mainly a condensation of the speech delivered last March 12

Deft Diplomatic Touch Is Exhibited By Green

OTTAWA (CP)—Howard Green gave an indication Tuesday of a deft diplomatic touch and ability to smooth troubled waters that may be an asset in his new post as external affairs minister.

Mr. Green told the Commons that Premier Smallwood of Newfoundland has agreed to recommend to his cabinet the appointment of "three responsible citizens" to the St. John's Housing Authority, source of an earlier dispute between the federal and Newfoundland governments.

Mr. Green referred to this dispute as "some difficulty a few weeks ago" over appointments to the authority, set up to administer a housing project for which the federal government put up 75 per cent of the money. In his other job as works minister, Mr. Green is responsible for federal housing policy.

At that time, Mr. Smallwood objected to a request of Hon. William J. Browne, federal minister without portfolio and Newfoundland cabinet representative, that some authority board members be replaced with what the Liberal premier described as Progressive Conservative supporters.

THREATENED TO SUE

He threatened to sue for breach of contract on the ground that the federal housing agency, Central Mortgage and Housing Corporation, retained administration of 192 housing units in St. John's.

Mr. Green said that since this "difficulty" three board members have resigned. Negotiations with Newfoundland followed and in a "friendly talk" Monday Mr. Smallwood agreed to propose three names to his cabinet.

Mr. Green did not identify those who resigned or those whose names were to be proposed as replacements by Mr. Smallwood. However, the fact that he gave the information in the Commons was taken as an indication that he won his point with Mr. Smallwood that the federal government must be consulted on such appointments.

Retirement Of Judges Is Mooted

OTTAWA (CP)—Justice Minister Fulton Tuesday gave his "enthusiastic support" to any move that would require provincial supreme court judges to retire at age 75.

He said in the Commons it is anomalous to say the least that these judges should have no retirement age while county court judges and those of the Exchequer Court of Canada and the Supreme Court of Canada must give up their posts at 75.

QUEEN INVITED TO W.I. IN CITY

TORONTO — (CP) — Mrs. H. P. van Wagner and Mrs. McKinley Morden, who are sisters, and Mrs. G. A. Glidden, the three remaining charter members of the Stoney Creek Women's Institute, will be presented to the Queen when she visits there July 2.

The Queen, the patron of the Federated Women's Institute of Canada, has also been invited to the biennial convention at Charlottetown July 6-10 by the institute president, Mrs. Keith Rand of Port Williams, N. S. Mrs. George Wilson of St. Mary's Ont. will present greetings in the form of a scroll through the office of Governor-General Massey.

'Missile' Submarine Is Launched Tuesday

By ELTON C. FAY

GROTEN, Conn. (AP) — The first American ballistic missile submarine was launched Tuesday. A year from now the navy expects that the George Washington will begin roaming with her load of hydrogen-tipped missiles.

Behind her is 18 months of high - speed construction that made the George Washington almost three-fourths complete as she went into the water. Hundreds of workers who built her at the yards of the Electric Boat Division of General Dynamics Corporation watched as this mighty submersible slid toward her element.

The navy hopes the George Washington, called by President Eisenhower a "revolutionary" submarine, is the first of its kind in the world and that the coming buildup of the whole Polaris submarine fleet will keep the United States ahead of Russia.

Ford Cmdr. James B. Osborn, the seven other officers and 70 men of the first crew, the launching was smooth and auspicious.

Immoral Dramas Charged To CBC

OTTAWA (CP) — The CBC today heard accusations from two Progressive Conservative MPs that it broadcasts "immoral" dramas on its French television network, and that some of its producers take money from actors in return for jobs.

To both accusations, made in the Commons broadcasting committee, CBC officials made flat denials.

CBC Vice - President E. L. Bushnell urged that someone prove the charge that producers receive money and gifts from performers.

"If you can bring information that a producer got or asked for money from a performer, I don't care who he is he would be dismissed," he said heatedly.

SAME ACTORS

He was replying to Noel Dorion (PC — Bellechasse), who said the same actors are always appearing on CBC TV plays and "I believe one of the reasons is that producers have received money and gifts."

He asked whether it was true that the CBC wrote letters to producers who had received loans from actors, asking the producers to repay the loans.

J. W. Pickersgill (L — Bonavista - Twillingate), protested the line of questioning. He asked

(Continued on page 2 col. 6)

Toronto Man Is CMA Head

ST. ANDREWS, N.B. (CP) — W. H. Evans of Toronto Tuesday was elected president of the Canadian Manufacturers Association to succeed Ian F. McRae, also of Toronto.

Mr. Evans is president of Honeywell Controls Limited.

Mr. McRae is chairman of Canadian General Electric Company Limited.

Report Delay Is Supported

OTTAWA — (Special) — Prince Edward Island's federal members have defended the government's decision to delay publication of the report on the causeway survey.

Heath Macquarrie, MP, for Queens, speaking in the Commons, told public works minister Howard Green who was acting in that capacity for the last time:

"We do not want to urge his officials to rush their report.

"We realize that this is one of the great engineering feats to be undertaken on the continent.

"We appreciate the fact that he has brought into the survey outstanding experts not only from his own department but from Europe.

"We are impressed with the amount of time and money that have gone into this problem.

Later Dr. Orville Phillips, member for Prince said:

"There has been some criticism of the fact that the report has not been made public. I am sure all thinking people will realize that the officials require a great deal of time to study the report very thoroughly."

Dr. Phillips also asked that consideration be given to transporting rock for the causeway by water and then asked if Mr. Green could reveal the results of test borings on the New Brunswick coast.

Mr. Green replied that it was too early to make any statement on the borings.

GORDON BENNETT IS PRESIDENT

Island's Music Festival May Be Canada's Biggest

"Our festival may be the biggest in Canada," Mrs. Wendell Wood told the annual meeting of the Prince Edward Island Music Festival Association last night.

The entry figures of 2516 are considerably more than the number at Toronto last year when the Ontario capital had the biggest festival in the country. Toronto figures were not available this year.

Figures given in various reports presented last night indicated that the Island's festival is still growing with the 1959 one thought to be one of the most successful, if not the most successful, held in a number of years.

Festivals held in other centres of the province were also reported to have been very successful.

Gordon Bennett was elected president of the Association. He succeeds Neil A. Matheson of Southport.

It was suggested by Miss Lillian MacKenzie that the festival should be held one month earlier so that the college students could participate. In recent years the festival has been held in the early part of May, when the students are writing their examinations.

SESSION AT SOURIS

A request that Souris be given their own part of the festival was made by Mrs. Edward Kassner of Souris. Mrs. Kassner noted that it was too far to bring children 52 miles from Souris to the Charlottetown Festival. By that time, she said, they are so tired and nervous they cannot perform to their full ability.

Mrs. Lorne Callbeck thought it was a good idea for the festival to alternate between Montague and Souris.

This matter will be taken up further at the next executive meeting of the association.

REPORTS HEARD

During the meeting reports from the various committee chairmen were heard.

These were secretary's report, Mrs. Wendell Wood; treasurer's report, Mrs. Robert MacKinnon; awards, Mrs. G. G. Houston, choral reading, Miss Leona MeeLure; membership, Mrs. Lorne Callbeck; platform secretary, Mrs. Hazen Howard; program, Miss Helen Yeo, program finance, Mrs. W.F. Rogerson; publicity, Mrs. Leigh Kennedy; refreshments and reception, Miss Mary Donahue; recording committee, Mrs. Neil Matheson! scholarship, Mrs. J.W. Rodd; stage, Mrs. W.R. Aitken; syllabus and music, Miss Dorothy Cullen; printing, Preston Beck.

The complete slate of officers and committee convenors fol-

(Continued on page 5 Col. 3)

THE LIBRARY at Prince of Wales College is the background for this picture of the officers of the Prince Edward Island Music Festival Association. Front row, left to right, Miss Peggy Beck, Charlottetown, associate secretary; Mrs. Wendell Wood, Central Royalty, secretary; Mrs. Robert MacKinnon, Charlottetown, treasurer; Mrs. Archibald Hume, Montague, vice-president for Kings. Standing, left to right, Mrs. Leonard MacDonald, Charlottetown, vice-president for Queens; J. Loring Rayner, Summerside vice-president for Prince; Gordon Bennett, Charlottetown, president; Allison MacLean, Summerside, treasurer for Prince.

CANADA PAYS 40 P.C.

'Tourist Road' Program Said Provincial Project

The "Tourist Road Program" is a provincial development to which the federal government contributes, and not a federal project in which the provinces shares, it has been learned from Hon. George G. MacKay, Minister of Highways.

Commenting on an Ottawa story quoting John A. Macdonald, M.P. for Kings, Mr. MacKay says.

"I would like to correct an impression which the public may have gathered from an item appearing in the Guardian of Monday, June 8th, and quoting John A. Macdonald on possible changes in tourist roads.

"The item reads: '. . . . . the provincial department of highways, who administer the program on a 50-50 basis . . . . .'

"A person might readily conclude from this", observed Mr. MacKay, "that the tourist road programme is a federal government project which the provincial department of highways merely administers for them and on a 50-50 basis at that.

"Such is not the case. The tourist road program, like Trans Canada Highway, is a provincial program to which the federal government lend financial assistance. In the case of Trans Canada Highway in this province the assistance will total 66 per cent of the cost of the highway. In tourist roads, federal aid will amount to approximately 40 per cent of the cost of these roads in this province.

"As citizens of Prince Edward Island I want you to keep this in mind. Your roads are your own;—no one else shares the title with you.

"The only public roads in this province owned by Canada are those in the National Park.

"Meanwhile" the minister stressed, "we are still waiting for Canada to sign the tourist roads agreement. No doubt the delay is unavoidable but it is the province that pays for the delay; —over $15,000 in bank interest to date.

"With regard to the changes proposed by Mr. MacDonald, they are under careful consideration at present and it is too early to make a statement except to say that the change proposed in the route from Murray River to Montague was proposed by me on December 3rd and approved by Honourable Alvin Hamilton on December 10th of last year," the minister concluded.

Naval Cadets Train At Sea

OTTAWA (CP) — About 200 junior officers and naval cadets of the regular officer training plan from Canada's three services colleges and universities will be trained at sea this summer on Canadian naval ships.

A total of 124 cadets in the Pacific command will spend 12 weeks on the frigates Sussexvale, Ste. Therese, Beacon Hill Stettler and New Glasgow on a cruise in southern waters. Between June 22 and Aug. 10 the squadron will visit Manzanillo, Mexico, Balboa in the Panama Canal Zone and San Diego.

In addition, 23 cadet midshipmen, taking their last year of training, will be placed aboard destroyer escorts of the Second Canadian Escort Squadron based at Esquimalt.

Thirty - three sub-lieutenants from the Atlantic Command will be trained aboard the destroyer escort ships Gatineau, Restigouche, Ste. Croix and Kootenay. Another 29 cadets will train in frigates of the Halifax based Seventh Canadian Escort Squadron.

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Late reports from Guardian news bureaus in Summerside, Montague, Alberton and Souris, and from special correspondents now appear on the Island News Page.

Showdown Nears On German Scene

By GERALD LONG

BONN (Reuters) — West Germany's economic wizard Ludwig Erhard arrived home from the United States Tuesday night, ready for a showdown on Konrad Adenauer's decision to stay on as chancellor.

Erhard, economics minister and vice-chancellor, told reporters at Duesseldorf Airport that he would demand a full debate among Parliamentary members of the ruling Christian Democratic party on Adenauer's about-face.

He also gave a veiled warning that he may resign from the cabinet.

Asked if he would remain as vice-chancellor, Erhard replied: "No, not necessarily." He then answered "that depends" when asked if he would stay on as a minister.

Erhard had been regarded as the almost-certain successor to the 83-year-old Adenauer as chancellor. He cut short his American visit and flew home after Adenauer announced that he had changed his mind about running for the presidency — largely an honorary post—and would remain chancellor, the equivalent of prime minister.

No Progress Is Reported

GENEVA (AP) — Russia and the Western powers faield again today to make any progress toward an accord on Berlin. An American spokesman said "it is anyone's guess how much longer" the four-power conference will continue.

Andrew H. Berding, assistant secretary of state, said: "The attitude of the Western ministers is one of pessimism."